

News Release

Winchester Hall / 12 East Church Street Frederick, Maryland 21701 CONTACT: Robin K. Santangelo Public Information Officer 301-600-2590 rsantangelo@FrederickCountyMD.gov

FOR IMMEDIATE RELEASE:

July 8, 2014

## Upgraded by Standard & Poor's to AAA rating . . . CURRENT BOARD OF COUNTY COMMISSIONERS OBTAINS HIGHEST BOND RATING IN FREDERICK COUNTY HISTORY

**FREDERICK, MD** – Major municipal rating agencies today responded favorably to a recent bond statement presentation on behalf of the Frederick Board of County Commissioners and assigned the highest bond ratings to Frederick County, Maryland, in the history of the county. The agencies were especially receptive to the board's recent adoption of a balanced budget, management of the county's pension and other post employment benefits (OPEB) funds, efforts to reduce citizen fees and taxes, and other initiatives taken since the board took office in 2010.

The three agencies issued the following ratings for the county: Fitch Ratings, AAA with a stable outlook; Moody's Investors, Aa1 with a stable outlook, and Standard & Poor's, AAA with a stable outlook.

By comparison, when this board took office, the ratings were: Fitch Ratings, AAA with a negative outlook; Moody's Investors, Aa1 with a stable outlook, and Standard & Poor's, AA+ with a stable outlook.

Recently, a team of county officials, including the county manager, budget officer, Finance Division representatives and Financial Advisor Sam Ketterman of Davenport & Company went with Board President Blaine Young and Commissioner David Gray to New York City to present to the bond rating agencies a report of the board's accomplishments and initiatives. Rating agency officials acknowledged that Frederick County is a leader in the state in terms of funding pension and OPEB liabilities and they commended the county for having a plan that it has funded at 90 percent (on a market value basis).

Board President Blaine Young commented, "Frederick County is ecstatic to learn of these high ratings and especially of Standards & Poor's upgrade from AA+ to AAA because it reaffirms this current board's direction and our budgeting choices. With tough budget decisions and prudent fiscal management, we are able to join an elite group of counties in the state of Maryland with two AAA bond ratings from two rating agencies.

(more)

Since we have taken office, we have consistently had positive movement from the rating agencies because we listened to them on dealing with our budgetary issues and also making sure that we focused on the stability and strength of our pension and OPEB trust funds. The ratings are one of several improvements seen from bond rating agencies since we took office in 2010.

"We would like to express our appreciation to these agencies for their high ratings because these credit ratings make county bonds more desirable in the investment community and can translate into significant debt service savings for Frederick County taxpayers. This board is committed to carefully watching over taxpayer funds and making decisions that will have a positive impact for years to come. I would be remiss if I didn't state that the high credit ratings also point to the county's quality financial management administered by our county manager, Finance Division and Budget Office. We thank them for their service to the taxpayers."

Fitch Ratings and Moody's reports are available online; Standard & Poor's will be available within 24 hours. All three rating agencies will be available on the county website tomorrow.

Questions related to the county's ratings should be directed to Acting Director Erin White, Finance Division, at 301-600-1117 or via e-mail at <a href="mailto:ewhite@FrederickCountyMD.gov">ewhite@FrederickCountyMD.gov</a>.

###